# **Costs and Benefits of Commissioning New and Existing Commercial Buildings**

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# Commissioning (Cx) is Quality Assurance (Green Buildings are not exempt from Murphy's Law)

- Articulating/verifying design intent
- Construction observation; warranty enforcement
   --> Controlling first cost
- Identifying broken, disabled, or malfunctioning systems
- Optimizing performance (comfort, reliability, safety, energy)
- Training operators
- Enhancing safety and risk management

# Project Objective and Methods

 Objective: Evaluate costs and benefits of Cx, understand energy savings opportunities from correcting design & operational problems

#### Methods:

- Gather data (real buildings)
- Focus on energy; consider non-energy impacts (+/-)
- Separate treatment of new and existing buildings
- Standardize information (definitions, normalized energy prices, inflation). Has significant effect on results; allows inter-comparisons
- Perform statistical and correlation analyses
- >> About 200 fields of data collected <<

## Resulting Sample Characteristics

 224 buildings (175 projects), of which 150 are existing buildings and 74 are new construction

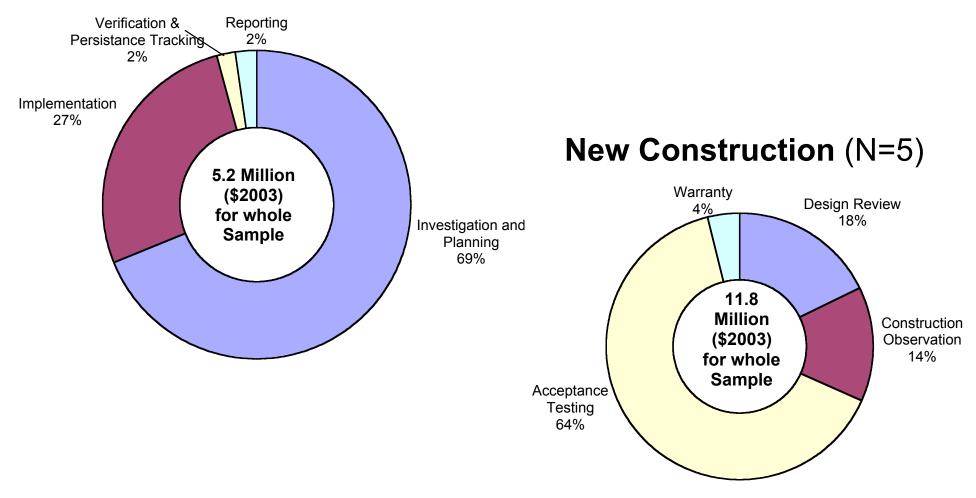
- 19+ commissioning providers
- Largest sample yet compiled
- Diversity of building types (heavy on public buildings)
- 30.4 million square feet across 21 states
  - Existing buildings: median 151,000 ft<sup>2</sup>
  - New construction: median 69,500 ft²
- \$17 million investment in commissioning
- Projects span two decades, but most done in the 1990s

## Top-level Findings (all values are medians)

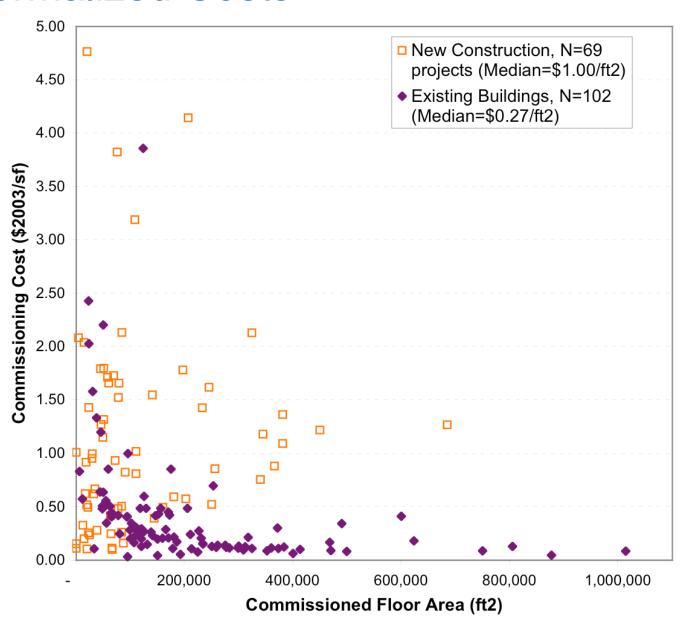
- Existing Buildings
  - Cost: \$0.27/ft<sup>2</sup>
     NEBs: \$0.18/ft<sup>2</sup>
  - Deficiencies: 3500 (11 per building)
  - Whole-building energy savings: 15%
  - Payback time: 8 months
- New Construction
  - Cost: \$1.00/ft<sup>2</sup>
     NEBs: \$1.24/ft<sup>2</sup>
  - Deficiencies: 3300 (28 per building)
  - Payback time: 4.8 years
- Cost-effective over range of energy intensities building types, sizes, and locations
- Most successful: energy-intensive buildings
- Cost-effective outcomes harder in small buildings

### **Cost Allocation**

### **Existing Buildings** (N=55)

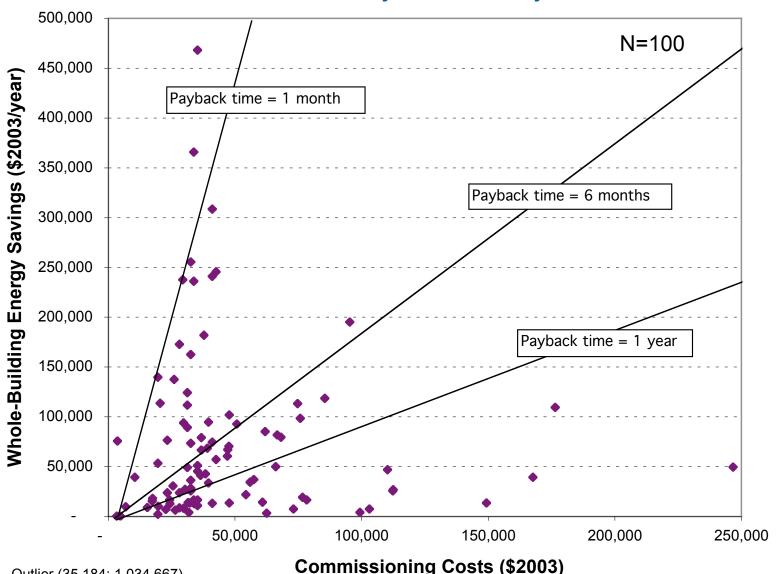


### **Normalized Costs**



# Payback Times: Existing Buildings



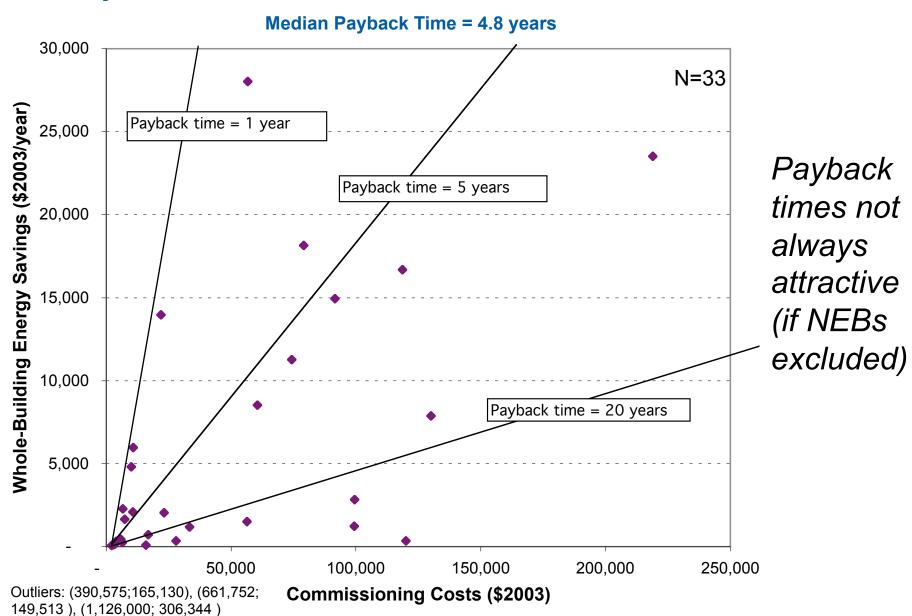


**Attractive** payback times across range of building sizes

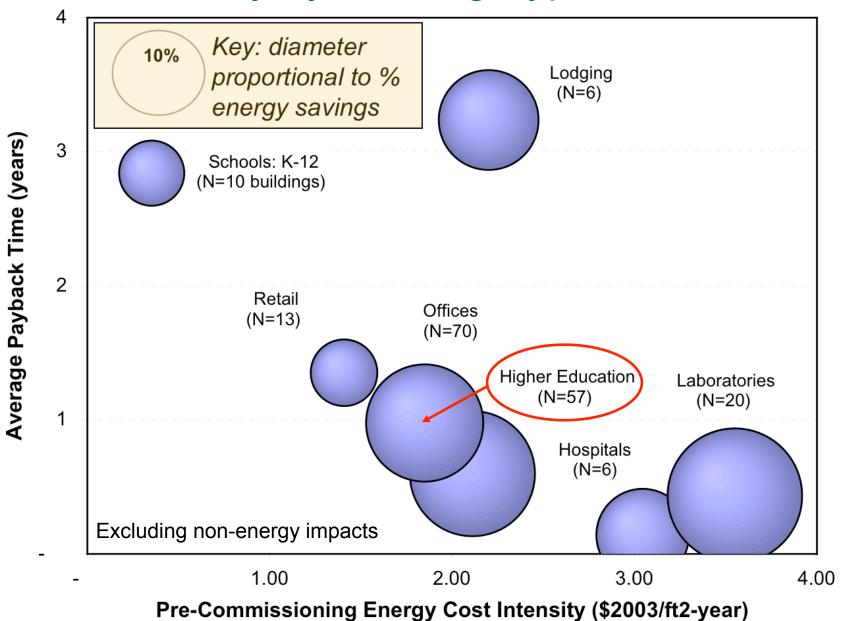
Outlier (35,184; 1,034,667)

**Commissioning Costs (\$2003)** 

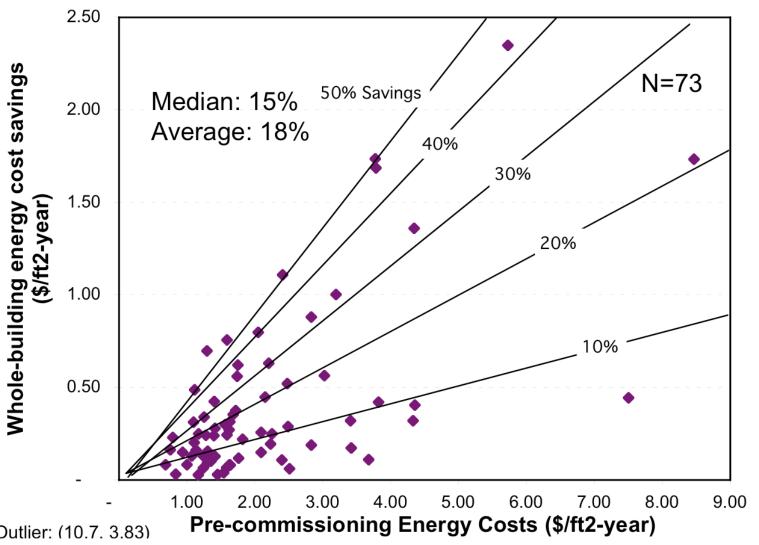
### Payback Times: New Construction



# Results Vary by Building Type



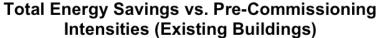
# Up to 50% Whole-Building Energy Savings



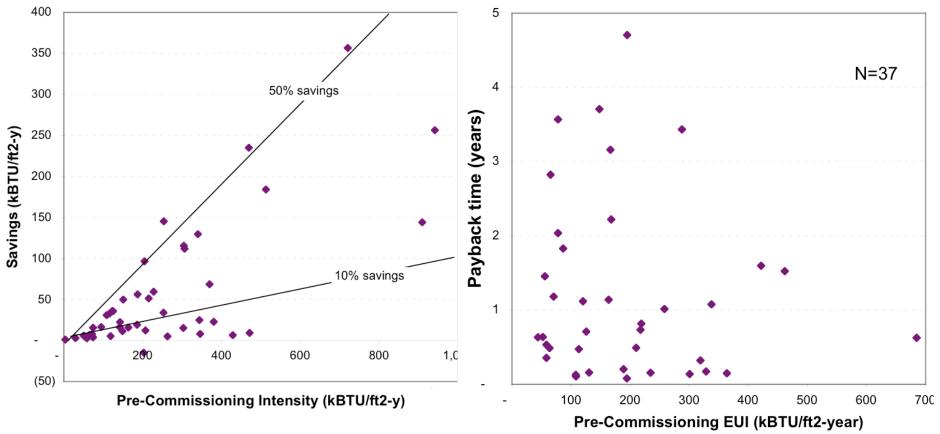
High savings even for nonenergyintensive buildings

Outlier: (10.7, 3.83)

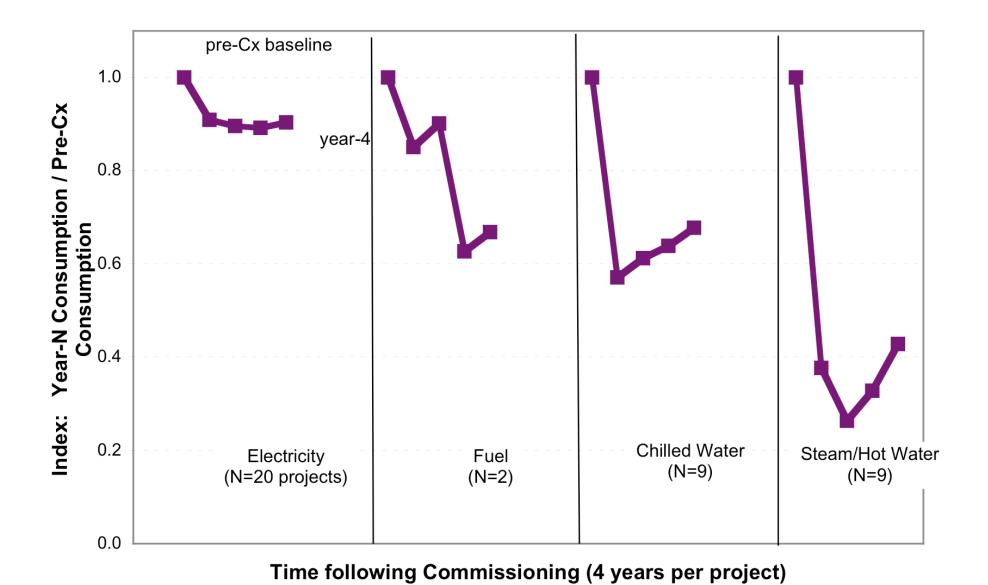
# **Energy Savings & Payback Times** Independent of Pre-Cx Energy Intensities





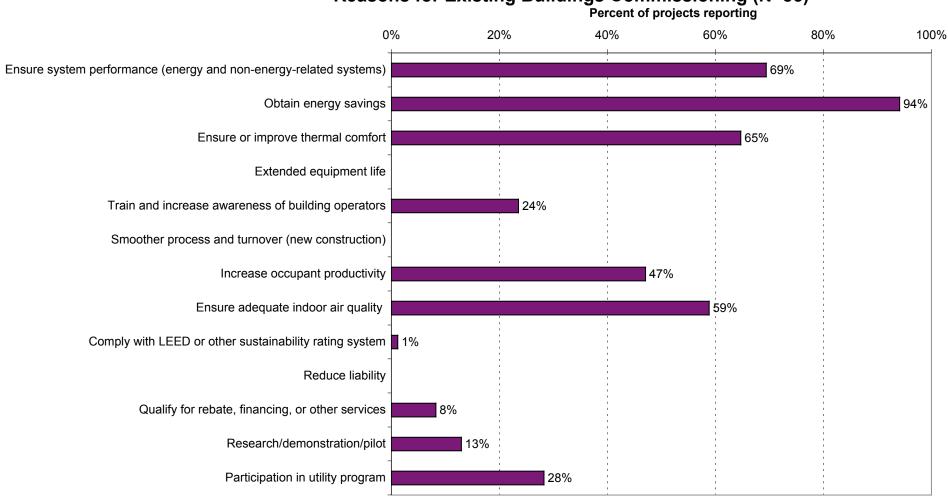


## **Emergence & Persistence of Energy Savings**



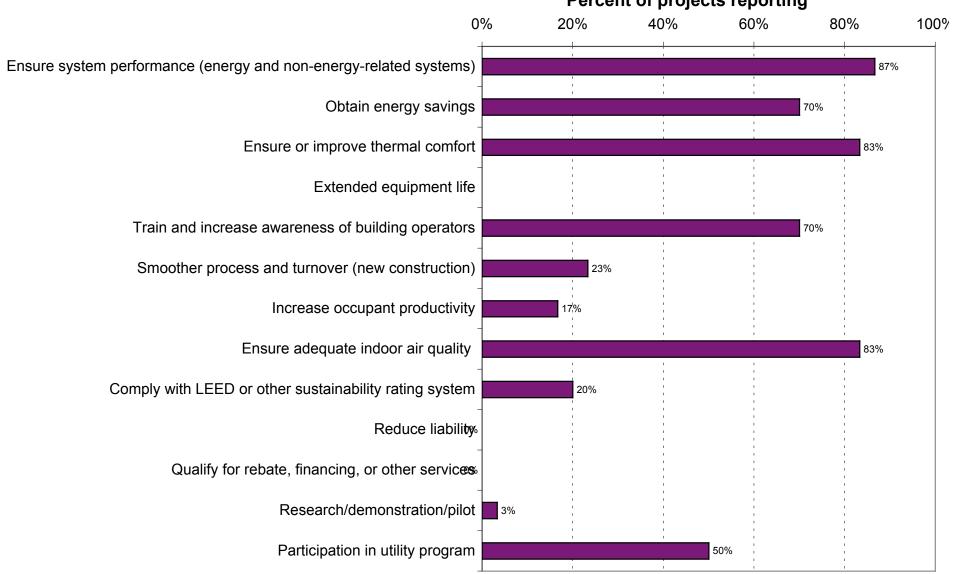
## **Drivers: Existing Buildings**

#### Reasons for Existing Buildings Commissioning (N=85)

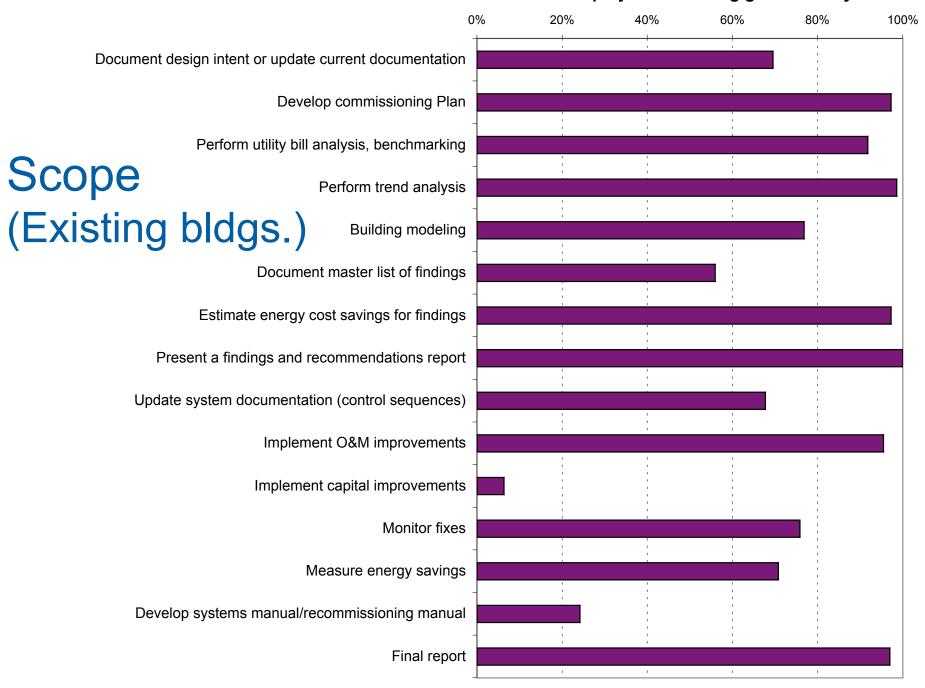


### **Drivers: New Construction**

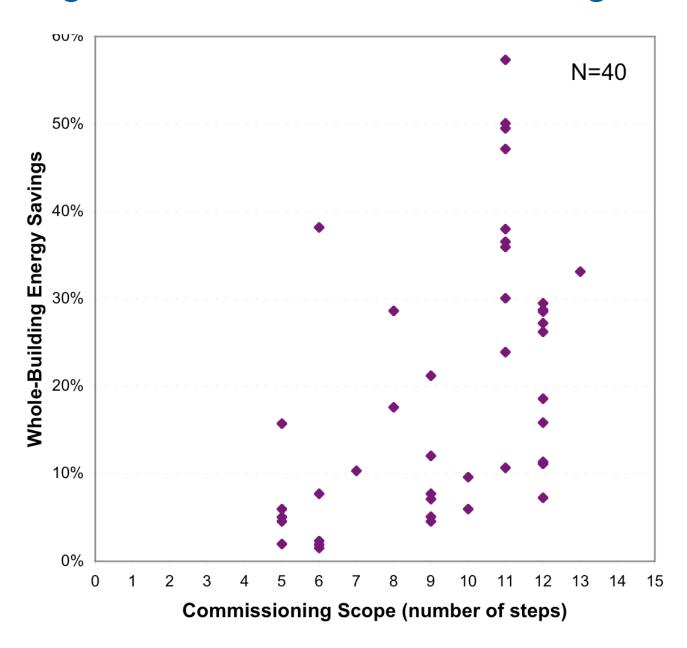
### Reasons for New-Construction Commissioning (N=30) Percent of projects reporting



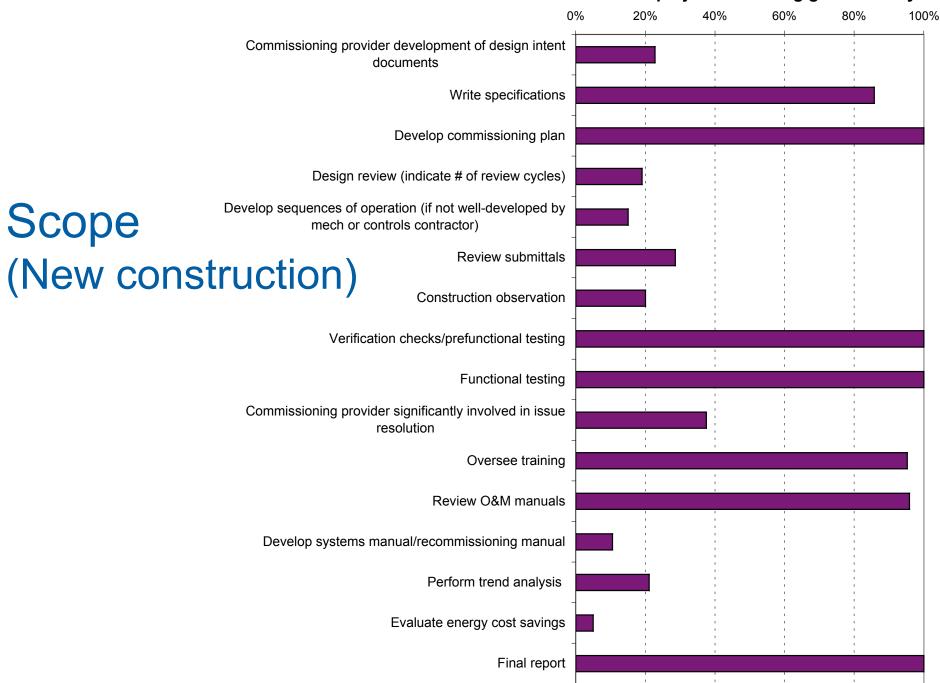
#### Share of projects including given activity



# Savings Scale with Commissioning Scope



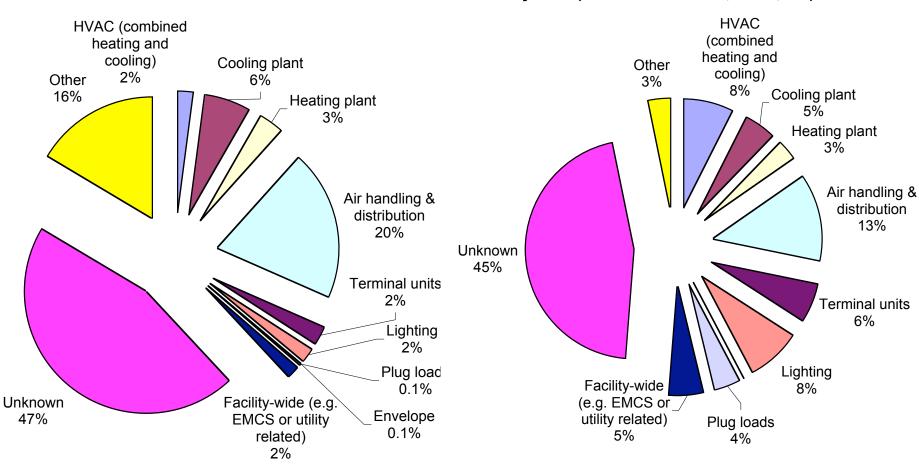
Share of projects including given activity



# Deficiencies by Building System



### Number of Deficiencies Identified by Building System (New Construction, N = 3,305)

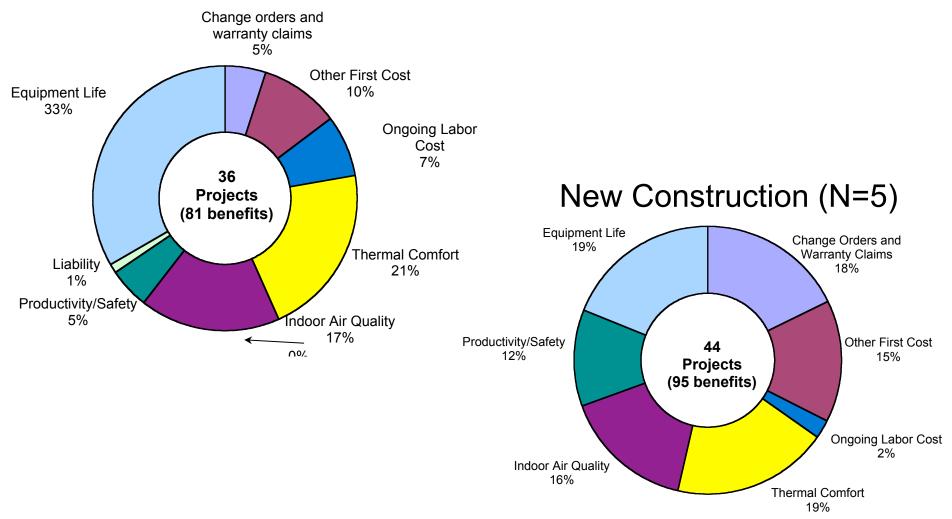


## **Measures Matrix**

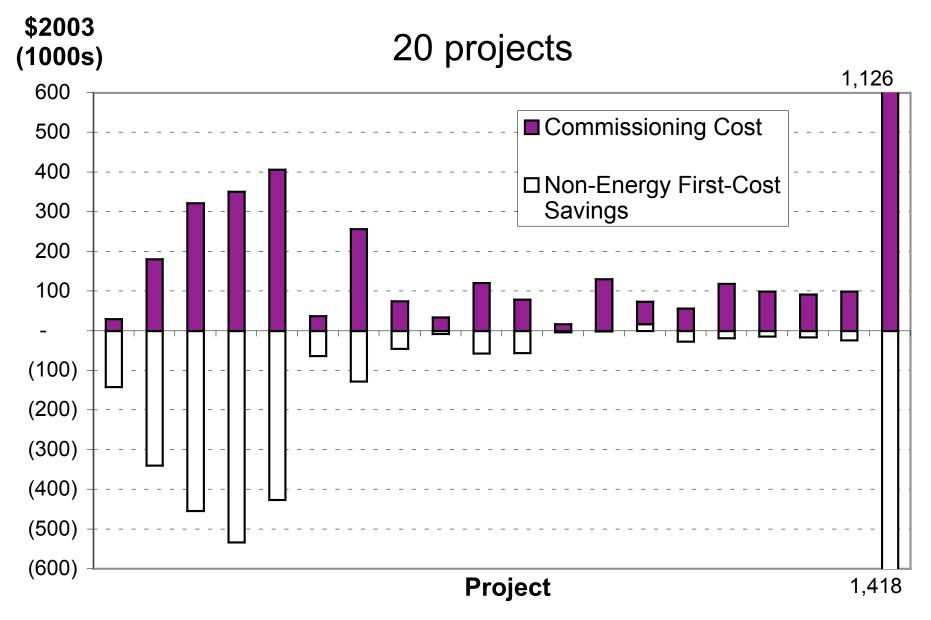
Pairing of deficiencies		Design, Installation, Retrofit, Replacement				Operations & Control										Maintenance					
(rows) and							(pau						ges to							ure	
corrective				ent		$\wedge$	determi	rmined			ns		al chan							measu	
measures			suc	lacem		reset	ntally	y dete			eratio		/manu				nce	_		ecific	
(columns)			lificatio	ent rep			ronme	upanc		ing	e of op		cation				maintenance	maintenance		d to spe	
69 projects;		Design change	nstallation modifications	Retrofit/equipment replacement		Implement advanced	Start/Stop (environmentally determined)	Scheduling (occupancy determined)	Modify setpoint	Equipment staging	Modify sequence of operations	ning	Behavior modification/manual changes to operations		tion	Mechanical fix	ansfer ma	on mainte		unmatched	
702 measures		Design	nstalla	Retrofil	Other	mplem	Start/Si	Schedu	Modify	Equipm	Modify	Loop tuning	Behavior no operations	Other	Calibration	Mechar	Heat transfer	Filtration	Other		
Deficiencies		2	D2	 D3	D4	200	0C2	003	0C4	900	920	00	800	600	M1	M2	M3	M4	M5 (	Deficiency	Total
HVAC (combined heating and cooling)	٧	0	2	8	1	1	1	5	3	1	5		-	2	5	7	1	5	2	12	61
0.	С	4	11	19		26	5	4	10	4	27	3		2	4	10	1	0	0	13	155
	H	4	0	5	0	15	7	1	4	0	7	-	5	1	4	7	1	0	0	18	80
Air handling & distribution  Terminal units	A	15 1	9	19 2	3	80 4	9	21 3	25 14	4 0	24 4		14 2	6	40 7	27 10	3 0		2 0	40	357
Lighting	i l	3	1	17	1	1	2	4	0	0	0			0	2	10	0		0	8	61 38
	E	0	0	0	0	0	0	0	0	0	0			0	0	0	0		0	0	0
	Р	0	0	0	0	0	0	0	0	0	0			0	0	0	0	0	0	0	1
Facility-wide (e.g. EMCS or utility related)	F	2	3	2	0	1	0	7	0	0	1	1	7	2	2	2	1	0	0	3	34
Other	0	0	0	2	0	0	0	0	2	0	1	0	1	0	0	3	0	0	1	12	22
Deficiency unmatched to specific measure		10	9	7	0	2	2	1	29	2	7	2	4	1	12	10	0	0	0		809
Total		39	38	81	6	130	26	46	87	11	76	20	51	15	76	77	7	9	5	800	

# **Observed Non-Energy Impacts**

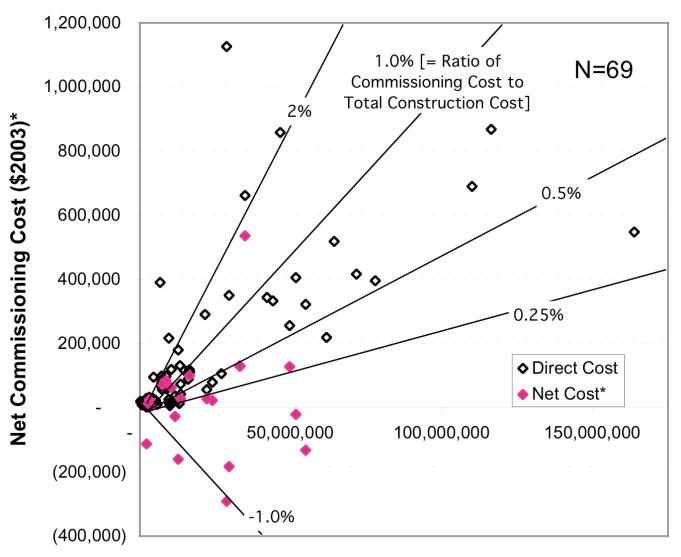
### Existing Buildings (N=55) 3



# Value of Non-Energy Benefits Often Offsets Entire Cost of Commissioning



# New Construction: Costs range from -1% to 2%+ of total construction cost



Inclusion of non-energy benefits (e.g. equipment downsizing, reduced callbacks, ... significantly reduces costs

**Building Construction Cost (\$2003)** 

### National Potential; National Need

### National potential:

- Assuming median savings of 15%
- \$18 billion <u>annual</u> energy savings potential (US-wide) -- *plus* non-energy benefits

### National need:

 Without commissioning, many energyefficiency projects, programs, and policies will often fall short of their goals

### Recommendations

- Cx is needed, and is a good investment, with significant energy savings and other benefits
- No energy management program is complete without commissioning (in-house or out-sourced)
- Invest in commissioning and institutionalize the process > track outcomes > refine process
- Develop "Green Building Commissioning"

Participate in our Research:

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http://eetd.lbl.gov/emills/PUBS/Cx-Costs-Benefits.html

### Existing Buildings vs. New Construction

### Existing buildings

- larger
- greater normalized energy savings
- more cost-effective (excluding NEBs)

### New construction

- less comprehensive
- normalized costs higher
- larger non-energy benefits
- NEBs are a more important motivation for embarking on commissioning, and can go farther in offsetting the cost of commissioning
- more deficiencies found